Rate of inflation

†*334. SHRI RAM JETHMALANI:
SHRI RAVI SHANKAR PRASAD:

Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that the inflation rate in the country has been estimated to be at 5 or 5.5 per cent;

(b) if so, the reasons therefor;

(c) whether it is also a fact that the increase in the prices of items like flour, rice, milk, pulses, fruits, vegetables used in daily food of common man is more than above quoted rate; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) to (d) Taking into account the assessment of macro-economic and monetary conditions, the Reserve Bank of India in its Third Quarter Review of Annual Statement on Monetary Policy (on January 24, 2006) indicated that inflation rate in 2005-06 may be placed in the range of 5.0-5.5 per cent. The Annual inflation rate based on the Wholesale Price Index (WPI) for the week ending February 25, 2006 for the selected commodities were as follows:

Table: Year-on-year changes in select commodity prices (%) (as on February 25, 2006)

Flour (atta)	10.9
Rice	1.7
Milk	1.9
Pulses	23.8
Fruits	-3.5
Vegetables	28.0

The overall inflation rate on February 25, 2006 was 4.29 per cent against 5.06 per cent during the corresponding week last year (week ending February 26, 2005). The inflation rate for primary articles at 6.11 per cent was significantly higher than 0.71 per cent last year. A major part of increase in the prices of primary articles is attributable to an increase in the prices of foodgrains.

†Original notice of the question was received in Hindi.

Government carefully monitors the price levels of essential commodities and undertakes measures as required to contain the same. The anti-inflationary policies of the Government in the recent past included fiscal and monetary discipline; rationalization of excise and import duties to lighten the burden on the poor; freeze on Central issue prices under the Targeted Public Distribution System (TPDS) for wheat and rice; import of wheat to augment supply in the Southern zone; and regular monitoring of retail and wholesale prices of essential commodities.

Loans under PMRY to Bihar

†335. SHRI SHATRUGHAN SINHA: Will the Minister of FINANCE be pleased to state:

(a) whether Government are aware that only 13 per cent of the target to provide loan under the Pardhan Mantri Rozgar Yojana has been achieved in Bihar, whereas the target has been enhanced by 35 per cent during the financial year 2005-06;

(b) if so, the reasons therefor; and

(c) the steps being taken by Government to improve the situation?

THE MINISTER OF FINANCE (SHRI P. CHIDAMBARAM): (a) and (b) The details of targets, applications received, sanctioned and disbursed under Prime Minister Rozgar Yojana (PMRY) for the State of Bihar during the years 2004-05 and 2005-06 (upto December, 2005) are as under:

Year	Target No. of Applica-tions)	No. of Applic-ations Received	Sactioned		Disbursement		% of Sanction of target (4) as a % of (2)
			No. of Applic-ations	Amount Rs. Lakh	No. of Applic-ations	Amount Rs. Lakh.	
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
2004-05	16000	15837	11437	10314.90	10340	8831.32	71.48
2005-06 (upto Dec. 2005)	25000	9172	4788	4184.68	3145	2471.25	19.15

The lower percentage of sanction to target in 2005-06 (upto December, 2005) is to be viewed in the context of the upward revision of the target from 16,000 to 25,000 in October, 2005 at the request of the State

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